

**NORTH DAKOTA STATE INVESTMENT BOARD
SECURITIES LITIGATION COMMITTEE
MINUTES OF THE SEPTEMBER 27, 2022, MEETING**

MEMBERS PRESENT: Joseph Heringer, Commissioner Univ. & School Lands, Chair
Bryan Klipfel, WSI Director, Vice Chair
Scott Anderson, CIO
Dean DePountis, Attorney General's Office
Jan Murtha, Interim Executive Director
Claire Ness, Attorney General's Office

STAFF PRESENT: Missy Kopp, Exec, Assistant
Ryan Skor, CFO/COO

GUESTS: Nate Bear, Robbins Geller Rudman & Dowd LLP
Emily Christiansen, Kessler Topaz Meltzer & Check
Craig D'Alessio, FRT
Roxana Pierce, Robbins Geller Rudman & Dowd LLP
Ryan Tosi, K&L Gates
Marc Weinberg, Grant & Eisenhofer

CALL TO ORDER:

Commissioner Heringer called the State Investment Board (SIB) Securities Litigation Committee (SLC) regular meeting to order at 3:00 p.m. on Tuesday, September 27, 2022. The meeting was held virtually.

AGENDA:

IT WAS MOVED BY MR. ANDERSON AND SECONDED BY MS. MURTHA AND CARRIED BY A VOICE VOTE TO APPROVE THE AGENDA FOR THE SEPTEMBER 27, 2022, MEETING.

AYES: COMMISSIONER HERINGER, MR. ANDERSON, MR. DEPOUNTIS, MS. MURTHA, AND MR. KLIPFEL

NAYS: NONE

MOTION CARRIED

ELECTION OF CHAIR & VICE CHAIR:

IT WAS MOVED BY MS. MURTHA AND SECONDED BY MR. ANDERSON AND CARRIED BY A ROLL CALL VOTE TO CAST A UNANIMOUS BALLOT FOR COMMISSIONER HERINGER AS CHAIR AND MR. KLIPFEL AS VICE CHAIR.

AYES: MR. ANDERSON, MR. DEPOUNTIS, MS. MURTHA, COMMISSIONER HERINGER, AND MR. KLIPFEL

NAYS: NONE

MOTION CARRIED

MINUTES:

IT WAS MOVED BY MS. MURTHA AND SECONDED BY MR. ANDERSON AND CARRIED BY A VOICE VOTE TO ACCEPT THE MINUTES OF THE NOVEMBER 4, 2021, MEETING AS DISTRIBUTED.

AYES: MR. DEPOUNTIS, MS. MURTHA, MR. KLIPFEL, MR. ANDERSON, AND COMMISSIONER HERINGER

NAYS: NONE

MOTION CARRIED

EDUCATION:

Securities Litigation Committee Governance & Policy Overview:

Ms. Murtha provided an overview of the SIB governance and policies for the SLC. Securities litigation monitoring includes reviewing information on markets and legal systems to identify possible or pending litigation involving your investments. Monitoring can be active or passive. Ms. Murtha reviewed the litigation timeline, fiduciary considerations, and history of SIB policy and practice. The SLC's work includes compliance with policy, amendments to policy, management of claims, retention of services, and active litigation decisions. Committee discussion followed.

SECURITIES LITIGATION CASE UPDATES:

K&L Gates (Tribune)

IT WAS MOVED BY MR. KLIPFEL AND SECONDED BY MS. MURTHA AND CARRIED BY A ROLL CALL VOTE TO ENTER INTO EXECUTIVE SESSION FOR CONFIDENTIAL AND PRIVIEGED ATTORNEY CLIENT CONSULTATION PURSUANT TO NDCC 44-04-17.1(4), NDCC 44-04-19.1, AND NDCC 44-04-19.2.

AYES: MS. MURTHA, MR. ANDERSON, MR. DEPOUNTIS, MR. KLIPFEL, AND COMMISSIONER HERINGER

NAYS: NONE

MOTION CARRIED

The executive session started at 3:22 p.m. and ended at 3:31 p.m. and was attended by Committee members, staff, and Mr. Ryan Tosi, K&L Gates

Robbins Geller Rudman & Dowd (Daimler):

IT WAS MOVED BY MS. MURTHA AND SECONDED BY MR. ANDERSON AND CARRIED BY A ROLL CALL VOTE TO ENTER INTO EXECUTIVE SESSION FOR CONFIDENTIAL AND PRIVIEGED ATTORNEY CLIENT CONSULTATION PURSUANT TO NDCC 44-04-17.1(4), NDCC 44-04-19.1, AND NDCC 44-04-19.2.

AYES: MR. ANDERSON, MR. DEPOUNTIS, MR. KLIPFEL, MS. MURTHA, AND COMMISSIONER HERINGER

NAYS: NONE

MOTION CARRIED

The executive session started at 3:34 p.m. and ended at 3:46 p.m. and was attended by Committee members, staff, Ms. Roxanna Pierce and Mr. Nate Bear, Robbins Geller Rudman & Dowd.

Kessler Topaz Meltzer & Check (Nissan):

IT WAS MOVED BY MS. MURTHA AND SECONDED BY MR. KLIPFEL AND CARRIED BY A ROLL CALL VOTE TO ENTER INTO EXECUTIVE SESSION FOR CONFIDENTIAL AND PRIVIEGED ATTORNEY CLIENT CONSULTATION PURSUANT TO NDCC 44-04-17.1(4), NDCC 44-04-19.1, AND NDCC 44-04-19.2.

AYES: MR. ANDERSON, MR. DEPOUNTIS, MS. MURTHA, MR. KLIPFEL, AND COMMISSIONER HERINGER

NAYS: NONE

MOTION CARRIED

The executive session started at 3:48 p.m. and ended at 3:54 p.m. and was attended by Committee members, staff, and Ms. Emily Christiansen, Kessler Topaz Meltzer & Check.

Grant & Eisenhofer (Volkswagen and Danske Bank):

IT WAS MOVED BY MS. MURTHA AND SECONDED BY MR. ANDERSON AND CARRIED BY A ROLL CALL VOTE TO ENTER INTO EXECUTIVE SESSION FOR CONFIDENTIAL AND PRIVIEGED ATTORNEY CLIENT CONSULTATION PURSUANT TO NDCC 44-04-17.1(4), NDCC 44-04-19.1, AND NDCC 44-04-19.2.

AYES: MR. DEPOUNTIS, MS. MURTHA, MR. KLIPFEL, MR. ANDERSON, AND COMMISSIONER HERINGER

NAYS: NONE

MOTION CARRIED

The executive session started at 3:56 p.m. and ended at 4:07 p.m. and was attended by Committee members, staff, and Mr. Marc Weinberg, Grant & Eisenhofer.

GOVERNANCE:

Securities Litigation Monitoring Presentation:

Mr. D'Alessio, Financial Recovery Technologies (FRT) provided an overview of the securities litigation monitoring process including FRT's automated passive claim process and monitoring outside of the U.S. Mr. D'Alessio reviewed FRT operations, client portal, monitoring, and passive group litigation. Committee discussion followed.

Annual Review of Securities Litigation Committee Charter:

An annual review of the charter is required. Ms. Murtha and Mr. DePountis reviewed the charter and have identified some items they wanted to bring to the Committee's attention. Staff recommend examining the membership of the Committee, specifically regarding the Assistant Attorney General member and the two staff members. Staff recommend some small fixes to the charter over the next few months and a more in-depth review after legislative session as part of the overall rewrite of the SIB Governance Manual. Committee discussion followed.

Annual Review of Securities Litigation Report & Monitoring Process:

Mr. Skor reviewed SIB Policy E-14 which defines the securities litigation process. As part of that process, the SIB contracts with FRT to assist with comprehensive monitoring and claims filing services. The Committee was provided with the Annual Securities Litigation Activity Report for the fiscal year ended June 30, 2022. The report summarizes security litigation activities including newly filed claims, status of previously filed claims, and a summary of the total net recoveries for the year. Committee discussion followed.

OTHER:

Committee Work Plan:

Ms. Murtha reviewed the upcoming Committee meeting schedule.

ADJOURNMENT:

With no further business to come before the SLC, Commissioner Heringer adjourned the meeting at 5:01 p.m.

Prepared by,

Missy Kopp
Assistant to the Board